

AMENDED IN ASSEMBLY APRIL 14, 2010

AMENDED IN ASSEMBLY APRIL 8, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2747**

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**Introduced by Assembly Member Bonnie Lowenthal**  
**(Principal coauthor: Assembly Member Galgiani)**  
(Coauthor: Senator Liu)

February 19, 2010

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An act to add Section 5024.2 to the Penal Code, relating to prisoners.

LEGISLATIVE COUNSEL'S DIGEST

AB 2747, as amended, Bonnie Lowenthal. Prisoners: pharmacy services.

Existing law provides that it is the intent of the Legislature that the Department of Corrections and Rehabilitation, in cooperation with the Department of General Services and other appropriate state agencies, take prompt action to adopt cost-effective reforms in its drug and medical supply procurement processes, as specified. Existing law authorizes the Secretary of the Department of Corrections and Rehabilitation to adopt regulations requiring manufacturers of drugs to pay the department a rebate for the purchase of drugs for offenders in state custody that is at least equal to the rebate that would be applicable to the drug under the federal Social Security Act.

This bill would provide that the Department of Corrections and Rehabilitation shall maintain and operate a comprehensive pharmacy services program for those facilities under the jurisdiction of the department that incorporates, among other things, a statewide pharmacy administration system with direct authority and responsibility for

program oversight and a multidisciplinary, statewide Pharmacy and Therapeutics Committee with specified responsibilities. The bill would authorize the department to operate and maintain a centralized pharmacy distribution center, as specified. The bill would ~~require~~ *authorize* the department ~~and the State Board of Pharmacy to cooperate in the development, implementation, or modification of licensing rules and regulations to investigate and initiate potential systematic improvements in order~~ to provide for the safe and efficient distribution, control, and accountability of drugs within the department’s system. The bill would require the department to ensure that there is a program providing for the regular inspection of all the department’s pharmacies to verify compliance with applicable rules, regulations, and other standards, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
 State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 5024.2 is added to the Penal Code, to
- 2 read:
- 3 5024.2. (a) The Department of Corrections and Rehabilitation
- 4 shall maintain and operate a comprehensive pharmacy services
- 5 program for those facilities under the jurisdiction of the department
- 6 that, at a minimum, incorporates all of the following:
- 7 (1) A statewide pharmacy administration system with direct
- 8 authority and responsibility for program administration and
- 9 oversight.
- 10 (2) Medically necessary pharmacy services using professionally
- 11 and legally qualified pharmacists, consistent with the size and the
- 12 scope of medical services provided.
- 13 (3) Written procedures and operational practices pertaining to
- 14 the delivery of pharmaceutical services.
- 15 (4) A multidisciplinary, statewide Pharmacy and Therapeutics
- 16 Committee responsible for all of the following:
- 17 (A) Developing and managing a department formulary.
- 18 (B) Standardizing the strengths and dosage forms for
- 19 medications used in department facilities.
- 20 (C) Maintaining and monitoring a system for the review and
- 21 evaluation of corrective actions related to errors in prescribing,
- 22 dispensing, and administering medications.

1 (D) Conducting regular therapeutic category reviews for  
2 medications listed in the department formulary.

3 (E) Evaluating medication therapies and providing input to the  
4 development of disease management guidelines used in the  
5 department.

6 (5) A requirement for the use of generic medications, when  
7 available, unless an exception is reviewed and approved in  
8 accordance with an established nonformulary approval process.

9 (6) Use of an enterprise-based pharmacy operating system that  
10 provides management with information on prescription workloads,  
11 medication utilization, prescribing data, and other key pharmacy  
12 information.

13 (b) The department is authorized to operate and maintain a  
14 centralized pharmacy distribution center to provide advantages of  
15 scale and efficiencies related to medication purchasing, inventory  
16 control, volume production, drug distribution, workforce utilization,  
17 and increased patient safety.

18 (1) The centralized pharmacy distribution center shall include  
19 systems to do all of the following:

20 (A) Order and package bulk pharmaceuticals and prescription  
21 and stock orders for all department correctional facilities.

22 (B) Label medications as required to meet state and federal  
23 prescription requirements.

24 (C) Provide barcode validation matching the drug to the specific  
25 prescription or floor stock order.

26 (D) Sort completed orders for shipping and delivery to  
27 department facilities.

28 (2) Notwithstanding any other requirements, the department  
29 centralized pharmacy distribution center is authorized to do the  
30 following:

31 (A) Package bulk pharmaceuticals into both floor stock and  
32 patient-specific packs.

33 (B) Reclaim, for reissue, unused and unexpired medications.

34 (C) Distribute the packaged products to department facilities  
35 for use within the state corrections system.

36 (3) The centralized pharmacy distribution center shall maintain  
37 a system of quality control checks on each process used to package,  
38 label, and distribute medications. The quality control system shall  
39 include a regular process of random checks by a licensed  
40 pharmacist.

1 (c) ~~The department and the State Board of Pharmacy shall~~  
2 ~~cooperate in the development, implementation, or modification of~~  
3 ~~licensing rules and regulations~~ *may investigate and initiate*  
4 *potential systematic improvements in order* to provide for the safe  
5 and efficient distribution, control, and accountability of drugs  
6 within the department's statewide pharmacy administration system,  
7 taking into account factors unique to the correctional environment.  
8 ~~This cooperation shall extend to the development and evaluation~~  
9 ~~of demonstration projects.~~

10 (d) The department shall ensure that there is a program providing  
11 for the regular inspection of all department pharmacies in the state  
12 to verify compliance with applicable law, rules, regulations, and  
13 other standards as may be appropriate to insure the health, safety,  
14 and welfare of the department's inmate patients. Corrective actions  
15 necessary to resolve any discrepancies or deficiencies shall be  
16 documented in writing and monitored by the department for  
17 compliance.